



Summary of the Conclusions for the August 15, 2013 Flood Authority Meeting

Two significant decisions were made today by the Chehalis River Basin Flood Authority: (1) funding for maintenance of the flood warning system; and (2) transfer of funds to construct the Montesano project protecting Mary's River Lumber and the city's wastewater treatment plant.

Funding for the Maintenance of the Flood Early Warning System

The flood warning system was created in 2012 and provides critical information for Chehalis Basin residents, businesses and governments. Over the past two years, annual system maintenance has been paid for by the twelve local governments that are members of the Flood Authority. The contribution by each government was based on each jurisdiction's percentage of the Basin population. Today the Flood Authority reached a consensus decision to change the method for allocation the cost of maintenance (approximately \$60K a year). The new allocation was recommended by Edna Fund, Lewis County Commissioner.

The new method allocates the cost among the three counties on the Flood Authority as follows: (1) 50% based on populations of communities prone to flooding; and (2) 50% based on historic FEMA flood insurance payments.

The three county governments will be responsible for payment as follows:

- Lewis County -- \$39,022 (64%).
- Grays Harbor County -- \$13,504 (22%).
- Thurston County -- \$8,557 (14%).

Lewis County will not ask for contributions from Pe Ell or Napavine. Thurston and Grays Harbor County governments can choose to seek contribution from cities who are members of the Flood Authority in their county, or not. That choice will be left to the local governments to resolve within their county. (However, under any scenario the payments by every jurisdiction in Thurston and Grays Harbor counties will be substantially lower than under the 2013 formula.) Lewis County's contribution would increase from almost \$14K to just over \$39K.

Commissioner Fund proposed this change because it is more equitable. Lewis County gets hit first by the major floods in the basin. The County and the cities in the County benefit most from the early warning system because the massive floods that hit the basin periodically start in the upper Chehalis River. The County and these cities suffer the greatest amount of damage. Continuing to base 50 percent of the cost based on the population in each jurisdiction is also fair because all residents and communities in the Basin suffer damage or risk when major roads are closed including Highway 12, Highway 6 and I-5.

Flood Authority members unanimously supported the new method for allocating the annual maintenance cost and several of them thanked Commissioner Fund for her leadership.



Transfer of Funds to the Montesano Project.

The Flood Authority and the State Legislature supported a project to save Mary's River Lumber, a major employer providing more than 100 local jobs, and the city's wastewater treatment plant from imminent flood damage by another major flood event. However, the recent engineering estimate for project construction is \$4m higher than had been estimated when the Legislature passed this year's budget. With funding the flood threat can be eliminated in the next few months as the project is "shovel-ready". Today, the Flood Authority approved a recommendation to the Office of Financial Management that funds be shifted within the Chehalis Basin project list to start the Mary's River project immediately.

For the Montesano (Mary's River and wastewater treatment plant) project the recommendation is to transfer funds from three other projects (Wishkah, Mill Creek and Satsop). The funds are proposed to be transferred to the Montesano project because even though construction cost is well over the original estimate, it is ready to be constructed and the other projects require further engineering and permitting before construction can begin. The other projects are still priorities and it is expected that additional appropriations from the Legislature will allow money to be transferred back to the other projects for construction. Senator Hargrove and Representatives Tharinger and Blake have committed to advocate in the next Legislative session for the funding needed to complete the three projects. Fully funding the Montesano project provides the opportunity to construct the project potentially before the coming flood season and prevent catastrophic damage if another major flood was to occur. Even with the transfer of funds to the Montesano project there is still funding for engineering design and permits to proceed as planned for the three other projects.

The Flood Authority members unanimously approved the recommendation to OFM. Montesano Mayor Ken Estes thanked the Flood Authority and highlighted the importance of the project to protecting the local economy of Montesano and Grays Harbor plus the benefit of not having the wastewater plant be over-topped in a major flood and potentially sending raw sewage into the river affecting aquatic species and public health. Several members specifically thanked the City of Cosmopolis and Grays Harbor County for allowing funds to be transferred temporarily from their projects to the benefit of Montesano.

Other Action

Flood Authority continued their support to OFM to develop contracts for the other construction projects funded by the legislature.